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WAR FOOD ADMINISTRATION
FOOD DISTRIBUTION ADMINISTRATION

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U. S. Department of Agriculture

HISTORY OF MEAT AND LIVESTOCK ORDERS UNDER JURISDICTION
OF THE WAR FOOD ADMINISTRATION, MARCH 5 THROUGH JUNE 5, 1943

Today the government faces the difficult task of dividing a limited supply of meat as equitably as possible among our fighting forces, civilians and allies. Following is a review of the meat situation and its immediate problems and of the steps which have been and are being taken by the War Food Administration to increase and fairly distribute our supply.

This year civilians will get less meat than they would like to buy but enough to maintain good health. They will get almost as much as their 1935-39 average consumption. Military and Lend-Lease requirements are greater than they were in 1942 when they took 21 percent of the pork production and 13 percent of the beef. Although commercial meat production in the first quarter of 1943 ran below expectations, indications still are that the total amount of meat produced this year will exceed last year's record-breaking figure of almost 22 billion pounds. Even so, the amount of the increase probably will be insufficient to fulfill the quantities urgently needed by our fighting men and allies.

The War Food Administration now has in operation 4 meat orders. They are:

- (1) The livestock dealer permit order, requiring all who buy and sell meat animals to secure a permit and keep records of their purchases and sales.
- (2) The slaughter permit order, limiting those who slaughter to deliver meat, to their 1941 slaughter quantity or less and requiring them to have an individual permit number and stamp it on wholesale meat cuts.
- (3) The inventory control order, limiting the quantity of meat

Federally inspected slaughterers can hold in storage.

(4) The Meat Restriction order (formerly under the jurisdiction of the Office of Price Administration but now administered by TPA), limits the quantity of meat large-scale slaughterers can deliver for civilian use, on a three-month quota basis.

These orders, together with price and rationing controls under the jurisdiction of the Office of Price Administration, supplemented with such other controls as may prove to be necessary, constitute the mechanism with which it is hoped to accomplish the major objectives of the wartime meat program.

The objectives are:

1. A maximum of meat production resulting from the most efficient use of the Nation's livestock resources.
2. The achievement of such production without introducing tendencies towards inflation.
3. An equitable allocation of production between Government and civilian requirements and between slaughterers to make possible a fair distribution of the civilian supply.

Following are highlights concerning these principal control measures, and amendments to them and the background of events and policies that led to their issuance.

FOOD DISTRIBUTION ORDER NO. 26 -- THE LEVESACK DEALER PERMIT ORDER

Under the dealer-permit order anyone who deals in livestock--who buys and sells cattle, hogs and sheep and normally keeps them for less than 30 days--is considered a dealer and is required to get a permit from the County War Board. He also is required to keep a record of his livestock purchases and sales including the date he bought the animals, from whom he bought, their weight, the

price he will pay for them, to whom he sold them, and the price received. The dealer in livestock gets no stamp of any kind nor are his operations restricted.

The only dealers who are not required to secure a permit are those who operate only on "posted stockyards," that is, those operating under the provisions of the Packers and Stockyards Act. These dealers already are required to keep complete records of all their purchases and sales and such records are inadequate for the purpose of the permit plan. In case they also operate off the posted markets they must obtain a permit and keep a record of all such operations.

FOOD DISTRIBUTION ORDER NO. 27 -- SLAUGHTER PERMIT ORDER

Under the slaughter permit order, any person who slaughters animals for the delivery of meat must, in all instances, obtain a permit to slaughter unless he is registered under the Meat Restriction Order. Farmers who slaughter animals only for home use need not obtain permits, but a permit is required if they deliver any of the meat to others. All slaughterers also must keep complete records of all livestock slaughtered.

The permits to farmers in all areas and to local butchers and meat packers in small towns were issued by County USDA War Boards. Butchers and local slaughterers in larger cities must obtain permits from local USDA offices. In most cases, these are the Federal meat inspection and grading offices of the Food Distribution Administration.

Another provision of the order requires that after March 31 anyone who slaughters to deliver meat must have an individual permit number. Slaughterers who operate under Federal, State, county, or city inspection are permitted to use the same numbers they now stamp on wholesale meat cuts. Other slaughterers who are given numbers for the first time also are required to stamp their slaughter permit numbers conspicuously on each wholesale cut of meat delivered.

JUN 18 1943

The number must be at least a quarter of an inch high and be preceded by the letter "P" -- all in a deep purple color. Farmers who obtain permits for the delivery of meat directly to consumers may comply with this requirement of attaching a tag showing the permit number, to the meat they deliver.

Main reason for the slaughter permit order was to help maintain meat production by different classes of slaughterers at levels representing approximately normal relationships. The plan was to assure that the Federal agencies, especially the Armed Forces, could fulfill their meat requirements and also that consumers dependent upon interstate shipments for meat supplies could secure their fair share of the supply available to civilians. Only Federally-inspected meat can be shipped interstate or will be purchased by the Government agencies.

As a required procedure a list of all permits issued by the County USDA War Boards are to be forwarded to the Regional Food Distribution Administrators through the State War Boards. Whenever the County War Boards believe a violation of the slaughter permit is occurring, a full report will be made and forwarded in the same manner. County and State War Boards, however, will not be responsible for compliance or investigation of alleged violations. All investigations of alleged violations will be made by the Compliance Branch of the Food Distribution Administration. Records of the Office of Price Administration, including the monthly slaughter and sales report, may be used by these officials in developing any prosecution against alleged violators.

MEAT RESTRICTION ORDER NO. 1

Meat Restriction Order No. 1 was transferred from the Office of Price Administration on April 1, the same time the first two orders went into effect. This order, embodying a quota system on the basis of quarterly periods, applies, in general, to quota slaughterers, those whose meat production exceeds 500,000 pounds in any quarter. The slaughter permit order applies to non-quota

slaughterers, those who are not registered under the Restriction Order; but this order does not regulate meat slaughter for home consumption.

At the same time the restriction order was transferred to the WFA, the WFA announced the quotas of meat which persons subject to the order were permitted to deliver for civilian consumption during the period, April through June 30, 1943. These percentages, applicable only to quota slaughterers limit meat deliveries for civilian use during the three-month period to the following percentages of the deliveries made in the corresponding period of 1941: beef and veal, 65 percent; pork, 75 percent; and lamb and mutton, 70 percent.

These limitations do not restrict the total slaughter of livestock but they do limit the amount of meat allowed to flow into civilian channels. Slaughterers who have Federal inspection may slaughter to full capacity, but must supply the Armed Forces, Lend-Lease buying agency (FDA) and other exempt purchasers with all the meat they produce above their civilian quotas.

FOOD DISTRIBUTION ORDER 48 -- A TEMPORARY CONTROL OVER INVENTORIES

On April 7 the War Food Administration issued a third order, instituting inventory controls over Federally-inspected slaughterers, limiting the quantity of meat they can hold in storage. The order provides the necessary mechanism to make the quantity of meat, which such slaughterers produce in addition to their civilian quotas, immediately available to the Government.

This limitation on inventories was established as a temporary measure only. Upon its issue, authorities emphasized that it was designed to be in effect only until a more permanent form of control of slaughterers' stocks on hand could be devised.

AMENDMENT NO. 1 TO FDO 27

The slaughter permit order became effective at about the time meat rationing was inaugurated. War Boards and other issuing agencies were authorized in an amendment to the order, effective April 2, to grant permits and temporary

quotas to butchers who became established in the slaughtering business after the 1941 base period. They also were authorized to grant temporary increases to those whose bases were considered abnormally low. Indications are that in some areas slaughter permits were issued to butchers and local slaughterers to an extent that permitted the processing, production and distribution of meat, especially beef, in excess of the proportionate share of the civilian supply normally furnished by such slaughterers. Also some retail butchers who previously had purchased all or most of their meat from commercial slaughterers were granted slaughter permits to supplement such purchases.

As a result much livestock, especially cattle, was diverted from usual commercial channels. Federally-inspected cattle slaughter at the 27 principal packing centers declined 20 percent the first three weeks of April and was only 78 percent of the slaughter in the corresponding period of 1942. The Armed Services were unable to fill current beef requirements. Furthermore, consumers dependent on interstate shipments, in many instances, could not obtain beef with their ration coupons. Only a very small quantity of beef is purchased for Lend-Lease shipment.

AMENDMENT 2 TO FDO 27 -- CANCELS TEMPORARY QUOTAS

To bring about a redirection of cattle through commercial channels, a second amendment to the slaughter permit order was issued on May 1. This cancelled all temporary beef quotas and temporary increases in beef quotas to butchers and local slaughterers. It provided definite bases for quotas to those who started slaughtering after May 1941.

DEPARTMENT AMENDS MEAT RESTRICTION ORDER

Despite rumors to the contrary, there is no immediate intention of eliminating the Meat Restriction Order, which has been under the administration of the Department of Agriculture since April 1. However, on May 27, the War Food Administration announced an amendment to the order involving several adjustments in industry operations relating to the slaughter of livestock. The changes do not affect civilian meat supplies.

Under previous regulations all persons slaughtering meat except quota slaughterers not operating under Federal inspection, were required to mark the meat so as to identify the person for whom it was slaughtered. This identification might be an inspection stamp, the quota slaughterer's registration number, or the permit number of the farmer, butcher or local slaughterer for whom the meat was slaughtered.

Under the amendment quota slaughterers are required, beginning May 31, to stamp each wholesale cut of meat with a city, county, State or Federal inspection number. If such a slaughterer does not possess an inspection number he must obtain an identifying number by applying to the War Food Administration in Washington.

In the past, provisions of MRO-1 permitted a quota slaughterer to deliver any meat custom slaughtered for other quota slaughterers without charge against the quotas of the person who did the slaughtering if he secured a certificate acknowledging delivery of such meat. However, any meat delivered to a non-quota slaughterer (farm slaughterer, butcher or local slaughterer) had to be charged against the quota of the person who did the slaughtering.

The amendment to MRO-1 changes this ruling. It provides that a quota slaughterer may custom slaughter livestock for any person holding a permit under the livestock permit order if he receives a certification from him. Such

slaughter is charged to the quota of the person who owns the livestock and is not charged against the quota of the person who kills the livestock.

The deliveries of meat by non-quota slaughterers into civilian channels were limited by MRO-1, and the slaughter by such persons was limited by the livestock permit order. To enable these persons to deliver all of the meat which they slaughter, the amendment provides that they may deliver any meat legally slaughtered under the provisions of the permit order.

FDO NO. 27 -- MONTHLY REPORTS REQUIRED FROM BUTCHERS AND
LOCAL SLAUGHTERERS

On May 27, 1943 the WFA announced Director Food Distribution Order No. 27.1. Effective on date of issue, it requires local slaughterers to make monthly reports of their slaughter operations. Monthly reports also will be required from butchers but only for those months when their slaughter exceeds 4,000 pounds live weight.

The monthly report for butchers will contain the number and total live weight of each kind of animal slaughtered during the month. The report for local slaughterers covers the number of head, live weight and dressed weight of livestock slaughtered and the conversion weight of meat delivered to Government agencies and authorized processors.

Purpose of the ruling is to determine the amount of livestock slaughtered by the two types of slaughterers and to check compliance with the slaughter permit order. It will assist in ascertaining the approximate monthly production of meats so that more accurate adjustment of meat ration values can be made; and it will help allocate total supplies equitably among the Armed Forces, Lend-Lease and the civilian population.

Report forms already have been forwarded to local slaughterers, who have filed reports covering the month of April and who are required to file reports for May and each following month. Both types of reports must be mailed by the

slaughterers to regional offices of the Food Distribution Administration, not later than 5 days after the end of each month, in the case of butchers, and not later than 10 days after the end of each month in the case of local slaughterers.

DIRECTOR FDO NO. 27.2--LOCAL SLAUGHTERERS' QUOTAS FOR JUNE

Also on May 27 the War Food Administration announced Director Food Distribution Order 27.2, establishing meat quotas for local slaughterers during June at 80 percent of the quantity of meat animals they slaughtered in the corresponding month of 1941.

This percentage for such slaughterers is the same as it was for April and May and will remain in effect until further notice. Previously, percentages for local slaughterers were announced on a month-to-month basis. Meat quotas for other types of slaughterers are not affected by the new ruling.

Officials explained that monthly beef quotas for local slaughterers who did not kill cattle in the corresponding months of 1941 and therefore have no base period will be determined by one of two methods. Such slaughterers who killed cattle during the first 9 months of 1942 may slaughter in June and subsequent months (until further notice) 50 percent of their average monthly kill during that 1942 period. Those who did not slaughter cattle during the first 9 months of 1942 are given a quota equivalent to their average monthly deliveries of beef made in accordance with the meat restriction order from October to March.

Local slaughterers' quotas for all other meats (pork, lamb, mutton and veal) in cases where there was no slaughter in the corresponding month of 1941, will be 80 percent of the amount established in their permanent quota base under Food Distribution Order 27; or, if a permanent base has not been assigned, the quotas will be 80 percent of the quantity of meat they are permitted to slaughter under their temporary quota base.

AMENDMENT 3 TO FDO NO. 27---BUTCHERS' BEEF QUOTAS FOR JUNE

On June 1, butchers were notified individually through regional FDA offices that the policy established in May by amendment 2 to FDO 27, limiting cattle slaughter to the 1941 level with few specific exceptions, would be continued in June. Amendment 3, now being submitted for approval, establishes butchers' cattle quotas for June in accordance with these notices. Any butcher who slaughtered in June 1941 is limited to the cattle slaughter he did in that month. Any butcher whose slaughtering operations starts later is limited to 50 percent of his average monthly slaughter in the first 9 months of 1942.

AMENDMENT 1 TO FDO 43--SLAUGHTERERS' INVENTORIES REGULATED
ON WEEKEND BASIS

After June 12, beef and pork inventories of all slaughterers, wholesalers, meat handlers and meat processors will be regulated by limiting the quantities of those meats they can hold in storage at the end of each week. This limitation does not apply to stocks in retail stores. Its purpose is to make the meat produced by slaughterers in excess of civilian requirements more readily available to Government purchasing agencies.

The new ruling is incorporated in Amendment 1 to Food Distribution Order No. 43, issued in June. It revises FDO-43, issued April 7, 1943, which instituted inventory controls over Federally-inspected slaughterers only, limiting their inventories of "restricted" beef and pork to stocks on hand at the end of their second quota period (about March 31, 1943) under the Meat Restriction Order. Officials pointed out that the first limitation on inventories was temporary and was to be in effect only until a more permanent form of controlling slaughterers' stocks on hand was devised.

Under the amendment weekly inventories of "restricted" beef and pork (frozen, cured or in process of cure) held by persons whose average sales are more than 40,000 pounds a week, will be limited by formulas based on their

average weekly quotas under the Meat Restriction Order; or, if they are not subject to that order, on a formula based on their average weekly sales. These persons will be required to make monthly reports to the Chicago office of the Food Distribution Administration.

No person who sells less than 40,000 pounds of meat a week will be permitted to have an inventory on June 12, or at the end of any following week, of more than 50,000 pounds of "restricted" beef and pork combined.

No quota slaughterer will be permitted to have an inventory on June 12 or at the end of any following week: (1) a quantity of restricted beef in excess of one-third of his average weekly beef quota for the current quota period, or (2) a quantity of restricted pork in excess of four times his average weekly pork quotas for the current quota period.

No person other than a quota slaughterer who has sold during any week since April 3, 1943, a quantity of meat with a total net weight of 40,000 pounds will be permitted to have an inventory on June 1 or at the end of any following week: (1) a quantity of restricted beef in excess of one-third of his average weekly delivery of beef other than to Government agencies in the immediately preceding monthly accounting period, or (2) a quantity of restricted pork in excess of four times his average weekly delivery of pork other than to Government agencies in the immediately preceding monthly account period.

Under the Order, any person who operates a branch house is allowed to have an additional quantity of restricted meat because it takes longer to distribute meat through branch houses and therefore more meat is required enroute to and on hand in branch houses than is required if the meat is sold directly from the packing house. The extra amount of pork which a person selling through a branch house is permitted to maintain in his inventory is a quantity equal to the average weekly deliveries through the branch house in the preceding monthly accounting period. The extra amount of beef permitted is one-third of the average weekly deliveries through the branch house in the previous accounting period.

